

United States Courts
Southern District of Texas
FILED

JUN 21 2017

David J. Bradley, Clerk of Court

மாண்புமிகு பேரவைத் தலைவர்:

v.

CRIMINAL NO. H-15-203-S3

aka "BORRADO"

aka "Z-31"

aka "CARLOS CRUZ-JIMENEZ"

aka "FLACO"

aka "OREJON"

aka “Z-27”

aka “EL MOCHO”

aka “EL BURRO”

aka "NETO"

aka “BETO”

THE GRAND JURY CHARGES THAT:

Introduction

At all times relevant to this Indictment,

The “Zetas” Cartel

1. The Zetas are a drug-trafficking and money- laundering organization which imports and distributes marijuana and cocaine from Mexico into the United States.

2. The Defendants, (1) JOSE MANUEL SALDIVAR-FARIAS, aka “BORRADO,” aka “Z-31”, aka “CARLOS CRUZ-JIMENEZ, (2) JUAN PEDRO SALDIVAR-FARIAS, aka

“FLACO,” aka “OREJON,” aka “Z-27,” (3) JESUS AGUSTIN ARIAS-CERDA, aka “EL MOCHO,” (4) JOEL HUGO ROBLES-PEREZ, aka “EL BURRO,” (5) ERNESTO MICHEL VARGAS-BALDERAMA, aka “NETO,” and (6) EDGAR FILIBERTO CASTILLO-VARGAS, aka “BETO,” and others known and unknown, were members and associates of the Zetas, a criminal organization engaged in: (a) the illegal trafficking of cocaine and marijuana; (b) the laundering of drug proceeds; and (c) acts of violence, including, kidnaping, torture and murder of those who lose or steal assets from, are disloyal to, or are perceived as enemies of the Zetas, and which operated principally in the Southern District of Texas, the United Mexican States, and elsewhere in the United States.

3. The Zetas controlled miles of Mexican territory along the border of Mexico and the United States, including the cities of Nueva Ciudad Guerrero, Tamaulipas, Mexico and Zapata, Texas. The Zetas divided its territory into areas known as “territories” and “plazas” along the Mexico-United States border and assigned each plaza region a leader known as a “plaza boss” and each territory a “regional commander.”

4. The Zetas have been in conflict and competition with the Gulf Cartel, aka “El Golfo,” for control of the United States-Mexico border in and around Zapata, Texas, i.e., the “Nueva Ciudad Guerrero Plaza.”

5. The Zetas, including its leadership, membership, and associates, constituted an enterprise and an on-going organization whose members functioned as a continuing unit for a common purpose of achieving the objective of the Enterprise.

Purpose of the “Zetas ” Enterprise

6. The purpose of the Enterprise included the following:

a. Enriching the members and associates of the Enterprise through, among other things, smuggling large quantities of cocaine and marijuana into the United States and by

distributing them to various destination cities in the United States.

- b. Promoting and enhancing the Enterprise and the activities of its members and associates.
- c. Preserving and protecting the power, territory and profits of the Enterprise through the use of intimidation, violence, threats of violence, kidnaping, torture and murder.
- d. Keeping rival traffickers, potential informants, witnesses against the Enterprise, law enforcement, the media, and the public-at-large in fear of the Enterprise, and in fear of its members and associates through threats of violence and violence.
- e. Preserving the ongoing viability of the Enterprise by kidnaping, torturing and murdering those determined to be enemies of the Enterprise, disloyal to the Enterprise, or those who lose or steal Enterprise assets.

Means and Methods of the "Zetas" Enterprise

- 7. Among the means and methods by which the Defendants, and their associates, conducted and participated in the conduct of the affairs of the Enterprise were the following:
 - a. Defendants, along with other members and associates of the Enterprise, coordinated with transportation cells to arrange for large quantities of cocaine and marijuana to be imported into the United States through various drug trafficking routes including Falcon Lake, located in Zapata, Texas, and oversaw the distribution of the marijuana and cocaine in Texas and elsewhere in the United States.
 - b. Defendants, along with other members and associates of the Enterprise, secured, maintained and regulated transportation routes for drugs and drug proceeds between Mexico and the United States, to include Falcon Lake.
 - c. Defendants charged and collected a "piso" or "tax" for permission to move drugs and contraband through their transportation routes and areas of control. Individuals who

did not pay the “piso” would be threatened, beaten, kidnapped, tortured or murdered.

d. Defendants, along with other members and associates of the Enterprise, arranged for the proceeds of their drug trafficking activities collected in the United States to be smuggled back into Mexico. That money was then used by leadership in the Zetas to pay its members and associates; to reinvest in the acquisition, production, and trafficking of drugs; to invest in the Enterprise by purchasing assets and properties related to the daily function of the Enterprise, to include firearms, ammunition, bullet-proof vests, radios, telephones and vehicles.

e. Defendants, along with other members and associates of the Enterprise, committed, attempted and threatened to commit acts of violence, including kidnapping, torture and murder, to protect and expand the Enterprise’s criminal operations.

f. Defendants, along with other members and associates of the Enterprise, recruited and hired assassins, known in Spanish as "sicarios" to protect its territory and controlled substances from rival drug-trafficking organizations. Their enforcement activities included gathering information or intelligence about competing drug organizations, including the Gulf Cartel; enforcing discipline among the members of or persons working on behalf of the Zetas, such as those who could or would not account for lost loads of controlled substances or other acts of perceived disloyalty; and committing acts of violence against competitors through such means as kidnaping, torture, and murder of the responsible person or his or her family members.

Roles of the Defendants

8. JOSE MANUEL SALDIVAR-FARIAS, “BORRADO,” aka “Z-31”, aka “CARLOS CRUZ-JIMENEZ was a Plaza boss in charge of Nueva Ciudad Guerrero located in Tamaulipas, Mexico, across Falcon Lake in Zapata, Texas. He later became the regional

commander of the northern region of Mexico to include the states of Coahuilla, Tamaulipas and Nuevo Leon.

9. JUAN PEDRO SALDIVAR-FARIAS, aka “FLACO,” aka “OREJON,” aka “Z-27,” was a regional commander of the northern region of Mexico, to include the states of Coahuilla, Tamaulipas and Nuevo Leon.

10. JESUS AGUSTIN ARIAS-CERDA, aka “EL MOCHO,” was a Plaza boss in charge of Nueva Ciudad Guerrero located in Tamaulipas, Mexico.

11. JOEL HUGO ROBLES-PEREZ, aka “EL BURRO,” was an associate of the Zetas responsible for the importation and distribution of marijuana into the United States

12. ERNESTO MICHEL VARGAS-BALDERAMA, aka “NETO,” was an associate of the Zetas responsible for the importation and distribution of marijuana into and throughout the United States.

13. EDGAR FILIBERTO CASTILLO-VARGAS, aka “BETO,” was an associate of the Zetas responsible for the importation and distribution of marijuana into and throughout the United States.

COUNT ONE

(Engaging in a Continuing Criminal Enterprise in furtherance of Drug Trafficking)

Beginning on or about January 1, 2009, and continuing up to and including the date of this Indictment, in the Southern District of Texas, the country of Mexico, and elsewhere, the
Defendants,

**JOSE MANUEL SALDIVAR-FARIAS,
aka “BORRADO”
aka “Z-31”
aka “CARLOS CRUZ-JIMENEZ”**

**JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON"
aka "Z-27"
JOEL HUGO ROBLES-PEREZ,
aka "EL BURRO"
ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

did engage in a Continuing Criminal Enterprise, that is these Defendants conspired to import from the country of Mexico to the United States more than 1,000 kilograms of a mixture and substance containing a detectable amount of marijuana, a Schedule I controlled substance, in violation of Title 21, United States Code, Sections 963, 952(a), 960(a)(1) and 960(b)(1)(G), conspired to possess with intent to distribute more than 1,000 kilograms of a mixture and substance containing a detectable amount of marijuana, a Schedule I controlled substance, in violation of Title 21, United States Code, Sections 846, 841(a) and 841(b)(1)(A), and conspired to distribute and did distribute for purposes of importation to the United States more than 1,000 kilograms of a mixture and substance containing a detectable amount of marijuana, a Schedule I controlled substance, in violation of Title 21, United States Code, Sections 963, 959(a), 960(a)(3) and 960(b)(1)(G), which were part of a continuing series of such violations, punishable as felonies, as alleged in Counts Two, Three, and Five, which were undertaken by the Defendants in concert with five or more other persons with respect to whom such Defendants occupied a position of organizer, a supervisory position, or any other position of management and from which the Defendants obtained substantial income or resources, and that **Defendants,**

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"**

**JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON,"
aka "Z-27"
JOEL HUGO ROBLES-PEREZ,
aka "EL BURRO"
ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

were principal administrators, organizers, or leaders of the enterprise or was one of several such principal administrators, organizers, or leaders and the violations referred to above involve more than 3,000 kilograms of a mixture and substance containing a detectable amount of marijuana.

All in violation of Title 21, United States Code, Sections 848(a), 848(b)(1) and (b)(2)(A).

COUNT TWO

(Conspiracy to Import a Controlled Substance: Marijuana)

Beginning on or about January 10, 2009, and continuing up to the date of the Indictment, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the
Defendants,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"**

**aka "CARLOS CRUZ-JIMENEZ"
JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON"
aka "Z-27"**

**ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

**EDGAR FILIBERTO CASTILLO-VARGAS,
aka "BETO"**

**JESUS AGUSTIN ARIAS-CERDA,
aka "EL MOCHO"**

**JOEL HUGO ROBLES-PEREZ,
aka "EL BURRO"**

did knowingly and intentionally conspire and agree with each other and with other persons known and unknown to the Grand Jurors to import, from Mexico into the United States, a controlled substance. All the above-named defendants conspired to import, from Mexico into the United States, 1,000 kilograms or more of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 963, 952(a), 960(a)(1) and
(b)(1)(G).

COUNT THREE

(Conspiracy to Possess with Intent to Distribute: Marijuana)

Beginning on or about January 10, 2009, and continuing up to the date of the Indictment, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the
Defendants,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"**

**aka "CARLOS CRUZ-JIMENEZ"
JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON"
aka "Z-27"**

**ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

**EDGAR FILIBERTO CASTILLO-VARGAS,
aka "BETO"**

**JESUS AGUSTIN ARIAS-CERDA,
aka "EL MOCHO"**

**JOEL HUGO ROBLES-PEREZ,
aka "EL BURRO"**

did knowingly and intentionally import, from Mexico into the United States, 1,000 kilograms or more of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 846, 841(a)(1) and (b)(1)(A).

COUNT FOUR

(Conspiracy to Import a Controlled Substance: Cocaine)

Beginning on or about January 10, 2009, and continuing up to the date of the Indictment, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendants,**

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ,"
JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON"
aka "Z-27"
JESUS AGUSTIN ARIAS-CERDA,
aka "EL MOCHO"**

did knowingly and intentionally conspire and agree with each other and with other persons known and unknown to the Grand Jurors to import, from Mexico into the United States, a controlled substance. All the above-named defendants conspired to import, from Mexico into the United States, 5 kilograms or more of a mixture or substance containing a detectable amount of cocaine, a Schedule II controlled substance.

In violation of Title 21, United States Code, Sections 963, 952(a), 960(a)(1) and (b)(1)(B).

COUNT FIVE

(Conspiracy to Distribute a Controlled Substance for Importation: Marijuana)

Beginning on or about January 10, 2009 and continuing up to the date of the Indictment, in the Southern District of Texas and in the country of Mexico and elsewhere within the jurisdiction of the Court, the **Defendants**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"**

**aka "CARLOS CRUZ-JIMENEZ"
JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON"**

**aka "Z-27"
JESUS AGUSTIN ARIAS-CERDA,
aka "EL MOCHO"**

**JOEL HUGO ROBLES-PEREZ,
aka "EL BURRO"**

**ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

**EDGAR FILIBERTO CASTILLO-VARGAS,
aka "BETO"**

did knowingly and intentionally conspire and agree with each other and with other persons known and unknown to the Grand Jurors to knowingly and intentionally distribute 1,000 kilograms or more of a mixture and substance containing a detectable amount of marijuana, a Schedule I controlled substance, knowing or having reasonable cause to believe that such substance will be unlawfully imported into the United States.

In violation of Title 21, United States Code, Sections 963, 959(a), 960(a)(3) and (b)(1)(G).

COUNT SIX

(Conspiracy to Distribute a Controlled Substance for Importation: Cocaine)

Beginning on or about January 10, 2009 and continuing up to the date of the Indictment, in in the Southern District of Texas and in the country of Mexico and elsewhere within the jurisdiction of the Court, the **Defendants**,

JOSE MANUEL SALDIVAR-FARIAS,
 aka "BORRADO"
 aka "Z-31"
 aka "CARLOS CRUZ-JIMENEZ,"
JUAN PEDRO SALDIVAR-FARIAS,
 aka "FLACO"
 aka "OREJON"
 aka "Z-27"
JESUS AGUSTIN ARIAS-CERDA,
 aka "EL MOCHO"

did unlawfully, knowingly and intentionally distribute and cause the distribution of 5 kilograms or more of a mixture and substance containing a detectable amount of cocaine, a Schedule II controlled substance, knowing or having reasonable cause to believe that such substance will be unlawfully imported into the United States.

In violation of Title 21, United States Code, Sections 963, 959(a), 960(a)(3) and (b)(1)(B) and Title 18, United States Code, Section 2.

COUNT SEVEN

(Importation of a Controlled Substance)

On or about October 16, 2012, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendants**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"**

aka "Z-31"

aka "CARLOS CRUZ-JIMENEZ"

**JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"**

aka "OREJON"

aka "Z-27"

**ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

**EDGAR FILIBERTO CASTILLO-VARGAS,
aka "BETO"**

did knowingly and intentionally import, from Mexico into the United States, at least 100 kilograms, that is approximately 513 kilograms, of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 952(a), 960(a)(1) and (b)(2)(G), and Title 18, United States Code, Section 2.

COUNT EIGHT

(Importation of a Controlled Substance)

On or about November 6, 2012, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendants**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"**

**aka "CARLOS CRUZ-JIMENEZ"
JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON"**

aka "Z-27"

**ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

**EDGAR FILIBERTO CASTILLO-VARGAS,
aka "BETO"**

did knowingly and intentionally import, from Mexico into the United States, at least 100 kilograms, that is approximately 266 kilograms, of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 952(a), 960(a)(1) and (b)(2)(G), and Title 18, United States Code, Section 2.

COUNT NINE

(Importation of a Controlled Substance)

On or about November 23, 2013, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendant**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"**

did knowingly and intentionally import, from Mexico into the United States, at least at least 5 kilograms, that is approximately 60 kilograms, of cocaine, a Schedule II controlled substance.

In violation of Title 21, United States Code, Sections 952(a), 960(a)(1) and (b)(1)(B), and Title 18, United States Code, Section 2.

COUNT TEN

(Importation of a Controlled Substance)

On or about July 8, 2014, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendant**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"**

did knowingly and intentionally import, from Mexico into the United States, at least 100 kilograms, that is approximately 149 kilograms, of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 952(a), 960(a)(1) and (b)(2)(G), and Title 18, United States Code, Section 2.

COUNT ELEVEN

(Importation of a Controlled Substance)

On or about November 19, 2014, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendants**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"
JESUS AGUSTIN ARIAS-CERDA,
aka "EL MOCHO"**

did knowingly and intentionally import, from Mexico into the United States, at least 100 kilograms, that is approximately 231 kilograms, of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 952(a), 960(a)(1) and (b)(2)(G), and Title 18, United States Code, Section 2.

COUNT TWELVE

(Importation of a Controlled Substance)

On or about February 5, 2015, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendants**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"
ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"
EDGAR FILIBERTO CASTILLO-VARGAS,
aka "BETO"**

did knowingly and intentionally import, from Mexico into the United States, at least 100 kilograms, that is approximately 231 kilograms, of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 952(a), 960(a)(1) and (b)(2)(G), and Title 18, United States Code, Section 2.

COUNT THIRTEEN

(Importation of a Controlled Substance)

On or about February 27, 2015, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendant**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"**

did knowingly and intentionally import, from Mexico into the United States, at least 100 kilograms, that is approximately 290 kilograms, of a mixture or substance containing a detectable amount of marijuana, a Schedule I controlled substance.

In violation of Title 21, United States Code, Sections 952(a), 960(a)(1) and (b)(2)(G), and Title 18, United States Code, Section 2.

COUNT FOURTEEN

(False Statement to Government Agent)

On or about March 13, 2015, in the Southern District of Texas and elsewhere within the jurisdiction of the Court, the **Defendant**,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"**

in a manner within the jurisdiction of the executive branch of the Government of the United States, that is the Federal Bureau of Investigations (FBI), did knowingly and willfully make a false, fraudulent, and fictitious material statement and representation, that is, when asked by Special Agents of the FBI what his name was, the defendant stated Carlos Cruz-Jimenez, a statement he knew to be false.

In violation of Title 18, United States Code, Section 1001 (a)(2).

COUNT FIFTEEN

(Illegal Re-Entry)

On or about November 6, 2012, in the Southern District of Texas and elsewhere within the jurisdiction of the court, the **Defendant**,

**ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"**

an alien who previously had been denied admission, excluded, deported, and removed from the United States, knowingly and unlawfully was present in the United States, Texas, without having obtained consent before March 2003, from the Attorney General of the United States to reapply for admission into the United States; and without having obtained corresponding consent after February 2003, from the Secretary of the Department of Homeland Security pursuant to 6 U.S.C. §§ 202(3) and (4) and 6 U.S.C. § 557.

In violation of Title 8, United States Code, Sections 1326(a) and (b).

NOTICE OF CRIMINAL FORFEITURE

(21 U.S.C. § 853)

Pursuant to Title 21, United States Code, Section 853(a), the United States gives notice to Defendants,

**JOSE MANUEL SALDIVAR-FARIAS,
aka "BORRADO"
aka "Z-31"
aka "CARLOS CRUZ-JIMENEZ"
JUAN PEDRO SALDIVAR-FARIAS,
aka "FLACO"
aka "OREJON"
aka "Z-27"
ERNESTO MICHEL VARGAS-BALDERAMA,
aka "NETO"
EDGAR FILIBERTO CASTILLO-VARGAS,
aka "BETO"
JESUS AGUSTIN ARIAS-CERDA,
aka "EL MOCHO"
JOEL HUGO ROBLES-PEREZ,
aka "EL BURRO"**

that in the event of conviction of an offense in violation of Title 21, United States Code, Sections 841 or 846 as charged in Counts One, Two, Three, Four, Five, Six, Eight, Nine, Ten and Eleven of the Indictment, the following is subject to forfeiture:

- (1) all property constituting, or derived from, any proceeds obtained, directly or indirectly, as the result of such violation; and
- (2) all property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violation.

MONEY JUDGMENT

Defendants are notified that in the event of conviction, a money judgment may be imposed equal to the total value of the property subject to forfeiture, for which the defendants may be jointly

and severally liable.

SUBSTITUTE ASSETS

Defendants are notified that in the event that property subject to forfeiture, as a result of any act or omission of defendants,

- (A) cannot be located upon the exercise of due diligence;
- (B) has been transferred or sold to, or deposited with, a third party;
- (C) has been placed beyond the jurisdiction of the court;
- (D) has been substantially diminished in value; or
- (E) has been commingled with other property that cannot be divided without difficulty,

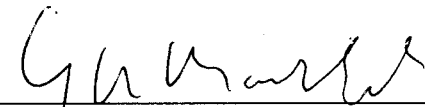
the United States will seek to forfeit any other property of the defendants up to the total value of the property subject to forfeiture pursuant to Title 21, United States Code, Section 853(p) and as incorporated by reference in Title 28, United States Code, Section 2461(c).

A TRUE BILL;
n

ORIGINAL SIGNATURE ON FILE


FOREMAN OF THE GRAND JURY

ABE MARTINEZ
ACTING UNITED STATES ATTORNEY


CASEY N. MACDONALD
Assistant United States Attorney